

**"PRESERVING AFFORDABLE HOUSING
FOR
SENIOR CITIZENS INTO THE 21ST CENTURY"**

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Loretto is a Syracuse non-profit agency whose primary mission is to improve the quality of life for the frail elderly of our community. We believe in the programmatic and financial merits of a system of services that can be coordinated to effectively meet the complex and changing needs of the population we serve.

Loretto has long recognized and advocated the tremendous importance of affordable housing as a part of the continuing care service continuum. Nearly one thousand of our clients reside in housing we own and operate; most of which has been financed or funded through sections 232, 236 or 202 HUD authorizations.

In years past, and generally it remains true today, subsidized housing for the elderly has been perceived primarily as a means of assuring quality housing for individuals whose financial wherewithal was diminished by retirement and, perhaps, disability. This, however is only a part of the potential benefit of subsidized housing programs for the elderly.

As is becoming increasingly clear by the very rapid growth of market rate assisted living, dedicated senior housing with supported services, is considered by the elderly, particularly those who are aptly described as "frail elderly," as a very desirable alternative to either in-home support or nursing homes.

When we refer to "frail elderly", we mean people who have chronic illness or disabilities and lack one or more of the essential skills necessary for independent living. For these people who lack the on-going support of family or friends and/or the financial wherewithal to purchase services to help overcome their limitations, community-based organizations such as Loretto must provide necessary care and assistance.

Frail elders make up roughly twelve to fourteen percent of the Medicare population and, despite the many advances in the overall health and well being of older Americans, the numbers of frail elders can be expected to grow in line with the overall growth of the Medicare population. It is generally recognized that the frail elderly consume a disproportionately high share of their community's health care resources. They are frequent users of hospitals; specialty medical services and, of course, constitutes the vast majority of nursing home residents. The prevailing public perception is that this high utilization of health care by this population is nearly inevitable and is directly attributable to their characteristics.

We take a somewhat different view; in our opinion, better care coordination, coupled with expanded community services can produce dramatic reduction in the population's use of high cost institutional and medical services. This relationship seems to be clearly demonstrated by the very successful PACE (Program of All-Inclusive Care for the Elderly) demonstration project and we are pleased that Congress has made PACE a permanent part of the Medicare program.

In our opinion, HUD supported housing ought to be also considered as an integral part of a comprehensive response to the needs of people unable to live independently but not in need of nursing home care. Unfortunately, there are barriers in the way of this useful service model.

Many, but not all States, have made assisted living a part of their Medicaid program through use of waiver authorization. Typically, Medicaid will cover program services and room and board is made available through the combination of social security and subsidized housing. This opportunity needs to be expanded by making supportive living services a mandatory Medicaid benefit and Congressional authorization for 202 housing should explicitly recognize its role as a foundation for such services.

It would, in fact be helpful to have a specific set aside of 202 housing for the frail elderly for assisted living purposes. Current housing eligibility requirements preclude the assignment of wait list priority to individuals with the greatest needs. Worse, individuals requiring supportive services to maintain their independence might not be considered appropriate for 202 housing.

Of course, not everyone eligible for subsidized housing is eligible for Medicaid. Especially given recent reductions in Medicare supported services for the chronically ill and disabled, some means needs to be found to provide support to those individuals who do not qualify for Medicaid but who also do not have the financial capability of even minimal support. Efforts should be made to direct monies available through Title XX, the Older Americans Act or other social service programs to this purpose.

Finally, especially for the frail elderly, subsidized housing needs to be thought of as a more local than community-wide resource. Even seniors who live independently have strong preferences for staying in the same geographic areas in which they have lived their lives. In the Syracuse area where nearly everything is reachable in less than a thirty-minute car ride, we have housing vacancies in some areas and lengthy waiting lists in others. Statistical formulations alone are inadequate determinants of a community's need for subsidized housing.

For too long housing and continuing care have developed independently. The result has been an inefficient use of the scarce resources required to adequately respond to the needs of our rapidly aging population. It is heartening to see the barriers between the two service systems begin to breakdown but much more needs to be done to assure the effective coordination of housing and services.

Nationally the Catholic Health Care Association and Catholic Charities are devoting a great deal of attention to encouraging this kind of collaboration between health care and housing. In our community, Loretto and Christopher Community, the area's leading sponsor of 202 housing, are bringing together their long term care and housing management expertise. On the State level the

New York State Association of Homes and Services for the Aging is actively working to bring housing and long term care providers together.

These are important issues and we very much appreciate your efforts to explore them. We thank you for the opportunity to offer testimony.